

Financial Accountability For Rail Mass Transit Association
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Honolulu, Hawaii 96826

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2017 AUG -7 AM 8:06

To: City Councilmembers
City & County of Honolulu

From: Roy Nakamura, President
Financial Accountability for Rail Mass Transit Association

Re: Opposition to City Council Bill 42, CR-175 Relating To Funding For Transit

The Financial Accountability For Rail Mass Transit Association, a State of Hawaii registered organization devoted to the financial accountability of expending taxpayers dollars for the City & County of Honolulu Mayor Kirk Caldwell's steel-on-steel rail opposes the 2nd reading passage to Bill 42, CR-175 Relating To Funding For Transit on Wednesday, August 9, 2017 by the City Council. The reasons are:

1. Bill 42 is authored by Mayor Caldwell on a self-interest basis to enable the mayor to comingle funds from other designated city public services to complement the financial shortages for the mayor's rail project without a financial accountability audit.
2. There is currently no concrete public financial accountability of the past, current, and future costs and budgets for the mayor's rail by HART, Mayor Caldwell, and the City & County of Honolulu's City Council. The City Council adopted Bill 3 (2017) removing their oversight of financial accountability over the administration's revenue and cost financial analysis and future budget projection for the city's rail mass transit system. The oversight removal eliminated the public hearing process for the public to participate in their government, thus creating closed door decisions, an act of dictatorship.
3. Mayor Caldwell and HART refused to participate in the Financial Accountability For Rail Mass Transit August 5, 2017 public hearing to respond to financial accountability questions relating to the city's rail project. The questions must be answered for financial accountability in the

expending of taxpayers money before adopting Bill 42 on the city council's 2nd. reading. The questions the public wants answers to are:

- a. What are HART's realistic overall concrete budget (revenues and expenditures) and timetable for completion of the city's current rail project? Provide the budgets for administration, construction, and maintenance.
- b. What are the detailed contractual agreements between the City & County of Honolulu and the Federal Transit Administration (FTA) for federal funds provided to the city's rail project?
- c. How were the FTA provided funds spent?
- d. What were the quarterly and year-to-year revenues and expenditures for administration, construction, and maintenance from the date of inception?
- e. Explain HART's bookkeeping methodology.
- f. What are the reasons for cost overruns?
- g. Why is the city administration unable to complete the rail project on time as planned initially?

We respectfully ask the city council not to adopt Bill 42 on second reading and get HART and Mayor Caldwell to answer the seven (7) questions stated above. Please respond in writing to Roy Nakamura.

Aloha,



Roy Nakamura

President

Financial Accountability for Rail Mass Transit Assn.